United Nations A/61/117

General Assembly

Distr.: General
28 June 2006

Original: English

**Sixty-first session**
Item 55 (a) of the preliminary list*
**Groups of countries in special situations: Third United Nations Conference on the Least Developed Countries**

## Letter dated 27 June 2006 from the Permanent Representative of Benin to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the Cotonou Strategy (see annex I) and the Cotonou Ministerial Declaration (see annex II) adopted at the Least Developed Countries Ministerial Conference held in Cotonou, Benin, from 5 to 8 June 2006 in preparation of the comprehensive global midterm review of the Programme of Action for the Least Developed Countries for the Decade 2001-2010.

I would like to request that the present letter and its annexes be issued as a document of the sixty-first session of the General Assembly under agenda item 55 (a).

(*Signed*) Simon B. **Idohou**
Ambassador
Permanent Representative

* A/61/50 and Corr.1.

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**Annex I to the letter dated 27 June 2006 from the Permanent Representative of Benin to the United Nations addressed to the Secretary-General**

**Ministerial Meeting of Least Developed Countries for the Midterm Comprehensive Global Review of the Brussels Programme of Action**

**Cotonou, 8 June 2006**

# The Cotonou Strategy for the Further Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010

## I. INTRODUCTION

The Ministerial Conference of the least developed countries was held in Cotonou, Benin, from 5 to 8 June 2006 to undertake the Midterm Comprehensive Global Review of the Implementation of the Brussels Programme of Action during the period 2001 to 2005. The Conference considered the outcome document of the regional meetings of the African LDCs held in Addis Ababa (21-23 February 2006) and of the Asia-Pacific LDCs held in Bangkok (14-15 March 2006). The meeting also considered the LDCs national review reports, as well as the reports submitted by the regional commissions, namely, ECA, ESCAP, ECLAC and ESCWA.

The conference assessed the progress and constraints encountered during the first five years of implementation, and formulated recommendations with a view to ensuring the further implementation of the seven commitments of the Brussels Programme of Action.

The Ministerial Conference adopted the present Cotonou Strategy for the Midterm Comprehensive Global Review of the Brussels Programme of Action to be held in New York during the 61st session of the General Assembly on 18 and 19 September 2006.

## II. COMMITMENT 1: FOSTERING A PEOPLE-CENTRED POLICY FRAMEWORK

### 1. ACHIEVEMENTS

- Economic growth and macroeconomic performances have improved in most LDCs, particularly those that are oil exporting amongst them.

### 2. CHALLENGES

- Growth has not been sufficient to lead to a significant reduction in poverty levels;

- Poverty Reduction Strategy Papers, where they were adopted, have not been successful enough in accelerating growth and reducing poverty and hunger;
- The limited availability of statistics on LDCs during the period 2001-2005 was problematic in providing accurate situation of development in LDCs.

## 3. Recommendations

### *i) Actions by LDCs*

**LDCs should:**

- Deepen the consultative process in order to ensure that national development plans address the priorities of the most vulnerable segments of the populations;
- Design national development strategies that take into consideration the needs of populations in remote regions, such as those of Small Island Developing States and mountainous countries so that investments, especially in social sectors, are viable in the long term;
- Continue to consider decentralisation as an important step towards making policies more people-centred;
- Encourage private investment through appropriate policies. In areas where private sector activity is limited or lacking, Governments should undertake necessary measures to bridge the gap including through public resources or in public/private partnership;
- Develop and adopt appropriate land policies to address issues related to security of land tenure so as to encourage among other things greater private investment in the agribusiness sector;
- Enhance the quality of growth by identifying and utilizing new potential for high employment and/or export and improve the income distribution.

### *ii) Actions by development partners*

**Development partners should:**

- Undertake coherent and coordinated measures to create an enabling external environment that will help the LDCs derive benefits from globalisation and support them in mitigating its negative consequences;
- Support the national priorities of LDCs through consultation and dialogue and provide adequate and timely financial and other support, and also ensure that a country's efforts to strengthen its capacity are not undermined. Their assistance should be transparent and channelled through the national budget;
- Support the efforts of LDCs in strengthening national statistical systems.

## III. COMMITMENT 2: GOOD GOVERNANCE AT NATIONAL AND INTERNATIONAL LEVELS

### 1. ACHIEVEMENTS

- Most LDCs have made considerable progress, inter alia in the promotion of democracy, human rights, the rule of law, transparency, accountability, and other legal and institutional mechanisms. For instance, seventeen African LDCs have acceded to the African Peer Review Mechanism (APRM).

### 2. CHALLENGES

Although some achievements have been registered in the area of governance there are still other challenges, namely:

- Insufficient resources for governance reforms;
- Conflict and lack of internal security in several LDCs;
- Influx of refugees and internally displaced persons;
- Corruption;
- Lack of gender equality in decision making in many LDCs;
- Inadequate governance at the international level.

### 3. RECOMMENDATIONS

*i) Actions by LDCs*

**LDCs should:**

- Promote good governance at national and international levels to achieve the goals and targets of the BPoA in a timely manner;
- Improve good governance at local and national levels addressing such dimensions as decentralization and gender equality;
- Utilise regional mechanisms where appropriate to improve governance reforms;
- Raise governance awareness, rights and responsibilities of citizens through education and training;
- Enhance efforts to fight corruption.

*(i) Action by development partners*

**Development partners should:**

- Assist LDCs with financial resources, technical assistance and capacity building in the area of governance;
- Give special attention to LDCs emerging from conflict;
- Continue to assist LDCs where requested in their efforts to prevent conflicts and ensure internal security;
- Assist LDCs in their efforts to fight corruption, in particular through the strengthening of the capacities of the various institutions established in this regard;
- Ensure the full and effective participation of LDCs in global decision making processes;
- Work with LDCs to ensure ownership, transparency and mutual accountability in development cooperation programmes.

## IV. COMMITMENT 3: BUILDING HUMAN AND INSTITUTIONAL CAPACITIES

### 1. ACHIEVEMENTS

- There has been considerable and tangible progress in the area of strengthening human and institutional capacities;
- Significant improvements have been registered in primary school enrolment rates and steady gains were recorded towards eliminating gender disparity in education;
- Some health indicators have also improved in some LDCs since 2001.

### 2. CHALLENGES

Despite improvements, several obstacles continue to militate against the full and timely implementation of the Brussels Programme of Action:

- Acute lack of domestic and external resources hampers LDCs from making substantial investments in social infrastructure and social service delivery;
- The high rate of population growth, coupled with inadequate resources and an increasing demand for better social infrastructure, poses many challenges for LDCs;
- Low secondary school enrolment rates;
- Quality of education is often poor, which is exacerbated by poor teaching standards and high rates of attrition stemming from low salaries;

- Curricula are often inadequate for the labour market;
- Brain drain continues to be a major challenge that drags human resources out of LDCs;
- High infant and mother mortality rates;
- Access to medication and adequate health infrastructure is still a major constraint in many LDCs;
- High HIV/AIDS prevalence rate and its social economic impact;
- Insufficient resources to fight against HIV/AIDS, malaria and tuberculosis;
- The threat of the avian flu constitutes a new challenge for LDCs;
- Malnutrition and food insecurity are still a chronic problem, especially in African LDCs;
- Access to safe drinking water and sanitation facilities remains too low in particular in rural areas.

## 3. RECOMMENDATIONS

*i) Action by LDCs*

**LDCs should:**

- Strengthen initiatives to address gender-related gap, low rates of primary school completion and transition to secondary school;
- Improve the quality of education and their capacity to retain teachers through better employment conditions, wage incentives and adult continuing education;
- Develop and improve vocational training especially in technical fields including in special initiatives for the informal sector of the economy;
- Conceive programmes and policies which better match skills with employment opportunities;
- Adopt policies and promote all initiatives that create motivation and awareness of skilled personnel so that they effectively contribute to the progress of their own country;
- Continue to make health services more accessible and affordable, especially for the rural communities;
- Improve, with the support of development partners, the access to safe drinking water and sanitation facilities, especially in rural areas;
- Enhance efforts by all stakeholders to implement commitment to combat HIV/AIDS, tuberculosis and malaria.

*ii) Actions by development partners*

**Development partners should:**

- Continue to and strengthen their support to LDCs in addressing HIV/AIDS, malaria and tuberculosis;
- Continue and strengthen their support to LDCs so as to eliminate malnutrition and hunger;

- Provide support to LDCs in their efforts for leadership and capacity development with special focus on the young people and women;
- Help LDCs to address the new threat of avian flu.

## V. COMMITMENT 4: BUILDING PRODUCTIVE CAPACITIES TO MAKE GLOBALIZATION WORK FOR LDCS

### 1. ACHIEVEMENTS

- Through national, sub-regional and regional mechanisms, LDCs have adopted cooperation frameworks to expand their physical infrastructures;
- LDCs have registered some progress in the use of information and communication technologies, in particular by improving access to telephone mainlines and mobile phones as well as by promoting the use of personal computers and the Internet;
- During 2001-2005, teledensity and Internet connectivity have almost doubled in the LDCs;
- Reformed regulatory and business environment have attracted marginal increase in the flow of the Foreign Direct Investment (FDI) to LDCs;
- Progress have been made in the area of food security due to inter alia, the adaptation and dissemination of high-yield varieties, and the intensification of hydro-agricultural managements in the LDCs.

### 2. CHALLENGES

- The insufficient of well-developed and reliable social and physical infrastructure continues to be one of the major bottlenecks for the LDCs in their effort to enhance their production capacity and to achieve the objectives of the Brussels Programme of action;
- Inadequate infrastructure, particularly in power generation and transport, poses obstacles to greater investment in least developed countries, especially in small islands and landlocked LDCs;
- The lack of technology, national intellectual property institutions and information communication technology (ICT) has deterred LDCs from integrating into and, accruing benefits of the process of globalisation;
- While more than 72% of the population in LDCs live in rural areas and depend on agriculture for their livelihood, the agricultural sector in LDCs is under-capitalized and suffers from rudimentary equipment and the use of obsolete technologies and is subject to unstable weather conditions difficult to forecast;
- Land degradation, desertification, adverse effects of climate change, climate variability and recurrent extreme weather events constitute obstacles to a viable and sustainable agriculture in many LDCs;
- Access to energy remains difficult in several LDCs;
- The economic potential of tourism is under-utilized.

## 3. RECOMMENDATIONS

*i) Actions by LDCs*

**LDCs should:**

- Make productive capacity and infrastructure clear priorities and provide support to the development and the strengthening of critical areas of infrastructure;
- Strengthen research and development capacity. Technical and training opportunities available through national and regional research institutes and universities should be used. Business support services such as the provision of information on foreign markets and of advice on productivity improvements, certification, quality control and human resources development are also essential;
- Establish legal frameworks and develop appropriate intellectual property strategies for the protection of traditional knowledge and indigenous technology;
- Prioritise investment from both domestic and international sources to those sectors in which they have comparative advantage and that generate employment through, where appropriate, public-private partnerships;
- Improve working conditions and rights of workers through the adoption and the effective implementation of labour laws;
- Improve, with the support of their development partners, the enabling environment for micro, small and medium size enterprises which can play a crucial role in poverty reduction by contributing to economic growth and employment;
- Strengthen, with the assistance of their development partners, their productive capacity and economic diversification through inter alia the development of infrastructure and promotion of small and medium sized enterprises;
- Take effective measures to improve access to energy in LDCs;
- Promote the efficient use of surface water including, inter alia, by ensuring access to proper share of water and building dams;
- Strengthen capacities in order to better involve local populations and other stakeholders in the development of tourism.

*ii) Actions by development partners*

**Development partners should:**

- Provide necessary support to the development and improvement of transport infrastructure such as port facilities, transit transport routes and fleets as well as ICT to facilitate transport operation, especially for landlocked LDCs which depend on transit countries for access to and from the sea;
- Assist LDCs, in the development of reliable, safe, secure and environmentally sound infrastructure system by providing both financial and technical assistance with a view to promoting wider market access, domestic investment as well as attracting foreign direct investment;

- Assist LDCs to access affordable and environmentally sound technologies, including the ICT, which are among the prerequisites to the achievement of sustained economic growth and sustainable development and to the fight against poverty;
- Assist LDCs for the integration of intellectual property in their National Development Strategy;
- Assist LDCs in strengthening their institutional capacity through enhanced participation of local enterprises in the transfer of knowledge, in the transfer adaptation and development of technology;
- Assist LDCs to introduce safety net programmes for food insecure populations;
- Assist LDCs in enhancing their domestic capacity to evaluate and manage projects;
- Develop and take effective measures for rapid settlement of the energy sector issues taking into account the vulnerability of LDCs economies;
- Countries of the South, within the framework of the South-South cooperation, should also render the required assistance to the LDCs in expanding trade opportunities, capacity-building and debt relief and for the best use of the great potential for economic and technical cooperation existing between LDCs and other developing countries.

## VI. COMMITMENT 5: ENHANCING THE ROLE OF TRADE IN DEVELOPMENT

### 1. ACHIEVEMENTS

- The least developed countries have increased their participation in the global economy through sub-regional, regional and international trade and strengthened their capacities in multilateral trade negotiations;
- Exports from LDCs grew by an average of 10.7 per cent between 2003 and 2004.

### 2. CHALLENGES

- The fluctuating and unstable prices of the agricultural commodities at the world market combined with primary commodity dependency are among the major concerns for many LDCs;
- The lack of capacity of LDCs to add value to their agricultural products deepens the negative impacts of lower market prices in their economies;
- The lack of diversification of their export basket and a limited number of export markets remain a major challenge for the LDCs;
- Due to supply-side constraints, lack of trade-related capacity, such as negotiation capacity, tariff and non-tariff barriers, LDCs are not making full use of preferential market access initiatives;
- Highly distorting subsidies provided by developed countries to their farmers continue to hamper LDCs fair participation in the world market;
- Unfavourable geographical location for small islands and landlocked LDCs increases both export and import costs;

- Cumbersome documentation requirements and bureaucratic impediments raise trade-related transaction costs and erode competitiveness of exports from many LDCs.

## 3. Recommendations

### *i) Actions by LDCs*

**LDCs should:**

- Continue to integrate trade into their national development plan and poverty reduction strategy to promote exports and to reduce poverty;
- Continue to intensify their efforts, with the support of development partners, to diversify their export basket to address their high dependency on a few commodities;
- Continue to develop a greater technical capacity of their trade actors so that obligations for complying with the rules of global and regional trading bodies are understood and available trade concessions are fully utilized;
- Improve transport and communication networks to increase the volume of trade, lower costs and improve export delivery times as well as make optimal use of available market preferences;
- Take measures to modernize Custom agencies and streamline procedures to facilitate trade.

### *ii) Action by development partners*

**Development partners should:**

- Give special and differential treatment to the LDCs;
- Provide duty-free and quota-free market access on a lasting basis, for all products originating from all LDCs by 2008 or no later than the start of the implementation period of the outcome of the Doha Development Agenda negotiations in a manner that ensures stability, security and predictability;
- Simplify and harmonize rules of origin to promote exports from LDCs and ensure that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access;
- Eliminate all trade distorting barriers, including tariff peaks and tariff escalations, high subsidies and other non-tariff mechanisms without further delay;
- Increase financial and technical support aimed at the diversification of LDC economies, while providing additional financial and technical assistance through appropriate delivery mechanisms to meet their implementation obligations, including fulfilling Sanitary and Phytosanitary Measures (SPS) and Technical Barriers to Trade (TBT) requirements, and to assist them in managing their adjustment processes, including those necessary to face the consequences of the termination of the Agreement on Textile and Clothing. In this context work currently undertaken to enhance the Integrated Framework and on aid for trade should be expedited;
- Provide transitional support to LDCs as global trade barriers are removed.

- Respond to the trade capacity-building needs of the LDCs by significantly increasing aid for trade-related technical assistance and capacity building and by continuing the work currently undertaken to improve the implementation of the Integrated Framework for trade-related technical assistance;
- Coordinate their assistance with multilateral agencies and international financial institutions to ensure that LDCs are not subject to conditionalities on loans, grants and official development assistance that are inconsistent with their rights and obligations under the WTO Agreements;
- Continue to give attention and priority to conclude the ongoing WTO accession proceedings as rapidly as possible in favour of those LDCs that are not yet members;
- Contribute, in the context of revitalizing South-South trade, to a better trade performance on the part of least developed countries by lowering trade barriers, reducing tariffs levied on exports from least developed countries and providing trade preferences, including market access preferences, on a non-discriminatory basis. Efforts should be enhanced to promote regional and subregional cooperation among developing countries especially in areas of trade, investment and the development of physical infrastructure;
- Assist LDCs in the implementation of Common Fund for Commodities-financed instruments for commodity price risk management;
- Negotiations on Rules in the Doha Development Agenda (DDA) negotiations should allow necessary flexibility to render the application of the WTO multilateral trade rules governing regional trade arrangements more supportive of regional integration efforts with and among developing countries and provide flexibility to the LDCs in adjusting to competitive trade regimes.

## VII. COMMITMENT 6: REDUCING VULNERABILITY AND PROTECTING THE ENVIRONMENT

### 1. ACHIEVEMENTS

- Since 2001, LDCs have increasingly taken measures to implement multilateral environmental agreements to which they are party. Additionally LDCs are striving to meet their commitments to these MEAs by incorporating their obligations in their national sustainable development plans and environmental strategies.

### 2. CHALLENGES

- Poverty eradication in the face of increasing vulnerability of LDCs to natural disasters, environmental degradation and global environmental phenomenon continues to be a major challenge for LDCs;
- The ability of LDCs to respond in an effective and timely manner to natural disasters, reduce the loss of lives, the destruction of livelihoods, the destruction of properties and infrastructure and the reversal of economic growth is limited or constrained by the increasing intensity and frequency of global environmental phenomena;
- LDCs continue to face a number of serious global environmental challenges including threats to key biological resources, desertification, land degradation and the impact of climate change;

- There has been an inadequate technology support and capacity building in LDCs with regards to energy efficiency and increased use of renewable energy alternatives, integrated water resource management, coping with rapid urbanization, industrial and domestic waste management and safe use of chemicals.

## 3. RECOMMENDATIONS

### *i) Actions by LDCs*

**LDCs should:**

- Improve Governance of environmental challenges by further integrating environmental issues into national planning frameworks, ensuring the effective participation of a broad range of stakeholders in implementing environmental action plans, and improving the monitoring of environmental policy implementation;
- Undertake actions to achieve their industrial development in line with proper environmental safeguards;
- Make maximum use of the funding available to LDC's Parties to the Convention on Climate Change through the Least Developed Countries Fund (LDCF) of the GEF;
- Further develop and implement national policies and strategies for disaster risk reduction;
- Mainstream the urban agenda in their national policies and development plans.

### *ii) Actions by development partners*

**Development partners should:**

- Support LDCs in developing and implementing their national disaster risk reduction strategies;
- Support LDCs to enhance their capacity to effectively participate in and benefit from regional and international early warning systems and response networks, including through satellite-driven technologies;
- Assist LDCs to invest massively in environmental protection projects in rural areas, particularly in dry lands or drought- prone zones and flood-prone zones;
- Assist the LDCs to fight against the coastal erosion resulting from the advance of the sea on dry land;
- Give priority to the LDCs in the implementation of the GEF land degradation focal area, including in building capacities to prepare eligible projects;
- Integrate climate variability and climate change risk factors in their project planning and assessment in LDCs;
- Meet their commitments on funding by providing sufficient resources on a predictable basis to existing institutional and funding mechanisms to assist LDCs adapt to the risks and impacts of climate change;
- Ensure the transfer of environmentally sound technology on preferential terms as well as making renewable energy available to LDCs.

- Assist LDCs with technical and financial means to help them cope with unanticipated environmental shocks;
- Assist LDCs in promoting and supporting the sustainable tourism development in natural areas with a view to help maintain essential ecological processes and conserve natural heritage and biodiversity.

## VIII. COMMITMENT 7: MOBILIZING FINANCIAL RESOURCES

### 1. Achievements

- LDCs have made some achievements in the area of domestic resource mobilization through improved fiscal policy, financial sector reforms, budgetary and public financial management control mechanisms and strengthening and widening of the tax base.

### 2. Challenges

- Least developed countries are unable to finance their investment requirements from domestic resources alone owing to the resource gap resulting from their low per capita income, low savings, structural bottlenecks and weak financial sectors;
- Weak financial sectors and lack of access to financial services are some of the constraints to the ability of LDCs to mobilize adequate financial resources domestically and internationally;
- Commitments on Official Development Assistance targets, as contained in the Brussels Programme of Action have not been fully implemented;
- Complexity of procedures and conditionalities in disbursing aid to LDCs;
- The weakness of coordination mechanisms in aid disbursement to LDCs;
- The external debt overhang in LDCs and debt services continue to be a serious obstacle to their socio-economic development and efforts at poverty eradication;
- Difficult problems remain in HIPCs that have not yet been able to reach their decisions points;
- Foreign direct investment to least developed countries has been miniscule.

### 3. Recommendations

***i) Actions by LDCs***

**LDCs should:**

- Continue to strengthen their institutional capacity to mobilize both domestic and external resources;
- Simplify, harmonize and modernize their tax collection systems with the view to improve their effectiveness, efficiency and equity;

- Make efforts to align the informal sector with the formal sector, with a view to taking full advantage of the potential contribution of large informal-sector activities to their economies;
- Encourage domestic savings for investment in productive activities;
- Develop, with the support of their development partners, national strategies to build inclusive financial sectors and promote access to microfinance and microcredit;
- Build on progress achieved in ensuring that ODA is used effectively to address their development challenges.

*ii) Actions by development partners*

**Donor countries should:**

- Give ODA to all LDCs in the form of grants;
- Fulfil their commitments, in particular those contained in the Brussels Programme of Action, to increase ODA flows to least developed countries to the level of 0.20 per cent of GNI. Donors who have not achieved that level in 2006 should specially undertake concrete measures to expeditiously fulfil their obligations;
- Further harmonize ODA flows and mechanisms with LDCs national development strategies and priorities;
- Channel ODA through national budget processes;
- Make further efforts to improve the quality and the effectiveness of aid, including through the implementation of the following:
  - respect of the commitment of untied aid as a priority;
  - harmonization and simplification of their procedures;
  - procurement of aid on a more predictable basis with long-term commitments;
  - streamlining aid delivery to ensure the success of national development strategies;
  - and reduction of the cost of transaction required in the recipient LDCs through better aid coordination.
- LDCs bilateral and multilateral creditors should take effective debt relief measures in particular:
  - the total, speedy and unconditional cancellation of all outstanding debt owed by all LDCs;
  - Debt forgiveness has to be provided over and above the regular assistance;
  - Address the structural causes of indebtedness;
  - LDCs benefiting from debt relief measures do not fall back into unsustainable debt;
  - Special attention should be given to post-conflict countries.
- Adopt policies and measures to promote and enhance flows of direct investment in LDCs;
- Provide adequate and timely resources to support reconstruction efforts and long-term recovery in least developed countries emerging from conflict and natural disaster;
- Multilateral financial institutions should continue to provide insurance guarantees to private-sector investment in least developed countries. The international community should also contribute to an increased flow of investment through co-financing, and public-private partnership. Export-import banks should assume credits and country risks to direct more investment in least developed countries.

## IX. IMPLEMENTATION, MONITORING, EVALUATION AND FOLLOW UP MECHANISMS

For effective and full implementation of the Brussels Programme of Action, the arrangements for the implementation, follow-up, monitoring and review at the national, sub-regional, regional and global levels as outlined in the Brussels Programme of Action should be strengthened. The measures at different levels should be conducted in a coherent and mutually supportive manner. The United Nations system, in particular the Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) should undertake necessary measures to follow-up these activities.

*NATIONAL LEVEL*

### 1. ACHIEVEMENTS

- Establishment of focal points for the coordination and follow-up of the implementation of the Brussels Programme of Action.

### 2. CHALLENGES

- Weak human and institutional capacity;
- Lack of comprehensive data base and poor monitoring and assessment system;
- Multiplicity of programmes and lack of coherence among them.

### 3. RECOMMENDATIONS

The following recommendations were made:

***i) Action by LDCs***

**LDCs should:**

- Ensure that the goals and targets contained in the Brussels Programme of Action are translated into specific measures within their national development frameworks and poverty eradication strategies, including where they exist, Poverty Reduction Strategy Papers (PRSPs), Common Country Assessment (CCAs), and the United Nations Development Assistance Framework (UNDAF);
- Strengthen the role of national focal points with necessary financial and technical support from development partners;
- Build inclusive and participatory national institutional forums with the assistance of development partners to serve as a platform for systematic follow-up and monitoring of the implementation of the Brussels Programme of Action.

***ii) Actions by development partners***

- Assist LDCs in crafting their development frameworks like PRSP, CCA, UNDAF at the country level in a coherent manner and in line with national priorities;

- UN Resident Coordinators should provide technical and financial support, and help LDCs translate goals and targets of the Brussels Programme of Action into concrete actions in line with national priorities. The Brussels Programme of Action should be a matter of priority and focus in the work programmes and reporting of UN Resident Coordinator system at the country level;
- The UN Resident Coordinator should provide adequate technical and financial support to national focal points for the preparation of the national reports on the implementation of the Brussels Programme of Action;
- Assessment and monitoring should be result oriented with special focus on achievements, constraints and recommendations for future course of action;
- Coherence and coordination among the different UN agencies, BWIs and donor countries should be strengthened at the country level;
- The international community should provide necessary assistance to LDCs in building their statistical capacity, including through appropriate training, and effective international support in this context;

*SUB-REGIONAL AND REGIONAL LEVELS*

### 1. ACHIEVEMENTS

Some sub-regional and regional entities have already adopted some measures to address the specific concerns of LDCs:

- Establishment of LDC Coordination Unit at ESCAP.

### 2. CHALLENGES

Most of the sub-regional and regional entities are yet to factor the Brussels Programme of Action in their programmes.

- Insufficient infrastructure to support the implementation of the Brussels Programme of Action;
- Insufficient sub-regional and regional funds in support of the implementation of the Brussels Programme of Action.

### 3. RECOMMENDATIONS

Sub-regional and regional entities should become more actively involved and contribute effectively to the implementation of the Brussels Programme of Action. In this regard, the following recommendations should be pursued:

- Set up measures to ensure sub-regional and regional bodies responses to take better account of the needs of LDCs;
- Sub-regional and regional entities that have not yet done so should establish urgently specific units within the entities for their respective LDCs and mainstream the provisions of the Brussels Programme of Action in their programme of work;

- In this regard, the regional economic commissions should coordinate with other sub-regional and regional entities on the issues of LDCs;
- ECA should re-establish urgently a specific unit for the African LDCs;
- The regional and sub-regional bodies should undertake periodic monitoring and review of progress in the implementation of the Brussels Programme of Action. They should offer an opportunity for LDCs together with their neighbouring developing countries to exchange experiences and seek solutions to common development problems;
- The role of regional commissions and sub-regional and regional financial institutions in the implementation of the Brussels Programme should be strengthened;
- The UN Regional Economic Commissions should undertake a tripartite coordination between the commissions, regional financial institutions and the LDCs on a regular basis;
- UN Regional Economic Commissions, regional development banks, and other regional institutions should play an active advocacy role for the causes of the LDCs.

*GLOBAL LEVEL*

**ACHIEVEMENTS**

- Establishment of the Office of the High Representative for LDCs, LLDCs and SIDS.

**1. RECOMMENDATIONS**

The agencies and organizations of the United Nations system, including the Bretton Woods Institutions, as well as other relevant multilateral organizations have a critical role for the implementation of the Brussels Programme of Action. As such the following measures are recommended:

- The agencies and organizations of the UN System, including the Bretton Woods Institutions, as well as other relevant multilateral organizations, should participate fully in reviews of the Brussels Programme of Action at all levels;
- LDCs issues should be given high priority in all major events as well as programmes of the United Nations system organizations;
- The High Representative should be included in the Committee of the United Nations system Chief Executives Board for coordination (CEB) in order to advocate and advance the implementation of the Brussels Programme of Action;
- The UN Secretary General should submit reports on LDCs in a more analytical and action-oriented manner by highlighting critical areas requiring action by stakeholders and by making specific recommendations;
- The UN Secretary General should undertake actions to further strengthen the efficiency of the Office of the High Representative for the least developed countries, landlocked developing countries and small island developing states by providing more human and financial resources so that it can properly carry out its functions, in accordance with the GA resolution 56/226;

- The Peace Building Commission should give a special attention to LDCs emerging from conflict;
- The Office of the High Representative for the least developed countries, landlocked developing countries and small island developing states in consultation with relevant agencies should continue to update periodically the attached matrix on the identification and categorization of institutions in charge of the implementation of the Brussels Programme on a sector by sector basis;
- The UN organizations and agencies, including the Bretton Woods Institutions and other relevant institutions, should implement the commitments of the Brussels Programme of Action on a sector by sector basis, as indicated in the attached chart;
- All relevant organizations should report to the ECOSOC on the progress made in the implementation of the Brussels Programme of Action using quantifiable criteria and indicators against agreed and defined goals and targets;
- Institutions or agencies responsible for coordination of specific sectors must include in their respective reports to their executive boards a quantifiable evaluation of the implementation of Brussels Programme of Action in their sector and, if necessary, also include the challenges encountered in meeting targets and goals;
- The ECOSOC is urged to allocate sufficient time for comprehensive discussions on the implementation of the Brussels Programme of Action during the general segment of its substantive session;
- The relevant United Nations system organizations that have not yet done so, should mainstream the Brussels Programme of Action in their programme of work and nominate a focal point for undertaking review, implementation and follow-up of the Brussels Programme of Action;
- International Financial Institutions, the Global Environment Fund and other relevant international organizations should enhance their efforts to contribute to the effective implementation of the Brussels Programme of Action;
- The UN Secretary General should include LDC issues in all relevant reports in the economic, social and related fields to ensure the follow-up of the implementation of the Brussels Programme of Action;
- UNCTAD should continue to play its role in providing substantive and technical assistance to the LDCs for the implementation of the Brussels Programme of Action;
- The Office of the High Representative for the least developed countries, landlocked developing countries and small island developing states should enhance its advocacy role for the implementation of the Brussels Programme of Action and make it more widely known and understood;
- The UN Secretary General is requested to ensure travel and daily subsistence allowance from regular resources for two representatives from each LDCs to attend the annual review of the implementation of the Brussels Programme of Action by the ECOSOC;
- Holding in the year 2010 the fourth United Nations Conference on LDCs in order to make a final comprehensive appraisal of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 and decide on subsequent actions for the LDCs.

Annex - Team leaders for the Implementation of the Brussels Programme of Action for the Least Developed Countries for the decade 2001-2010

| Commitments | Goals | Indicators | Lead Institutions/Countries | Other relevant Institutions/Countries[1] |
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| Commitment 1: Fostering a people-centered policy framework | Goal 1. Attain a GDP growth rate of at least 7 per cent per annum | 1. GDP growth rate (%) | World Bank | |
| | Goal 2. Increase the ratio of investment to GDP to 25 per cent per annum | 2. Gross capital formation (% of GDP) | UNCTAD<br>World Bank | |
| | Goal 3. Make substantial progress toward halving the proportion of people living in extreme poverty by 2015 (MDG 1, T-1) | 3. Proportion of population below $1 (PPP) per day consumption | UNDP<br>World Bank | |
| | Goal 4: Make substantial progress towards halving the proportion of people from hunger by 2015 (MDG 1, T-2) | 4. Proportion of population below minimum level of dietary energy consumption | FAO<br>WFP | |
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| Commitment 2: Good governance at national and international levels | No measurable goals and targets. | | LDC Bureau<br>UNCDF | |
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| Commitment 3: Building human and institutional capacities | Goal 5: Making accessible, through the primary health system, reproductive health to all individuals of appropriate ages as soon as possible and no later than the year 2015 | 5. Percentage of births attended by skilled health personnel | WHO<br>UNFPA | |

[1] The list is not exhaustive

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| | **Goal 6. Making available the widest achievable range of safe, effective, affordable and acceptable family planning and contraceptive methods** | 6. Contraceptive use among currently married women aged 15-49, any method | UNFPA | |
| | **Goal 7. Ensuring that by 2015 all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to and complete, free and compulsory primary education of good quality (MDG 2, T-3)** | 7. Net enrolment ratio in primary education, both sexes<br>8. Net enrolment ratio in primary education, girls<br>9. Net enrolment ratio in primary education, boys | UNESCO<br>UNICEF | |
| | **Goal 8. Achieving a 50 per cent improvement in levels of adult literacy by 2015, especially for women, and equitable access to basic and continuing education for all adults** | 10. Adult literacy rate, both sexes<br>11. Adult literacy rate, women<br>12. Adult literacy rate, men<br>13. Ratio of literate women to men | UNESCO<br>UNICEF | |
| | **Goal 9. Eliminating gender disparities in primary and secondary education by 2005, and achieving gender equality in education by 2015, with a focus on ensuring girls' full and equal access to and achievement in basic education of good quality (MDG 3, T-4)** | 14. Ratio of girls to boys in primary education<br>15. Ratio of girls to boys in secondary education<br>16. Ratio of girls to boys in tertiary education<br>17. Proportion of seats occupied by women in national parliament<br>18. Share of women in wage employment in the non-agricultural sector | UNESCO<br>UNICEF | |

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| | **Goal 10. Reducing the infant mortality rate below 35 per 1,000 live births by 2015 (MDG 4, T-5)** | 19. Infant mortality rate | WHO<br>UNICEF | |
| | **Goal 11. Reducing the under 5 mortality rate below 45 per 1,000 live births by 2015 (MDG4, T-5)** | 20. Under-five mortality rate | WHO<br>UNICEF | |
| | **Goal 12. Reducing the maternal mortality rate by three-quarters of the current rate by 2015 (MDG 5, T-6)** | 21. Maternal mortality rate | WHO<br>UNICEF | |
| | **Goal 13. Reducing the number of undernourished people by half, by the year 2015** | 4. Proportion of population below minimum level of dietary energy consumption | FAO<br>IFAD | WFP<br>WHO<br>UNICEF |
| | **Goal 14. Reducing by half, by 2015, the proportion of people who are unable to reach or afford safe drinking water (MDG 7, T-10)** | 22. Proportion of population with sustainable access to improved water sources, both urban and rural | UN-HABITAT<br>UNICEF | WHO |
| | **Goal 15. Reducing HIV infection rates in persons 15-24 years of age by 2005 in all countries, and by 25 per cent in the most affected countries (MDG 6, T-7)** | 23. HIV prevalence rate among adults, aged 15-49 years<br>24. HIV prevalence among pregnant women, aged 15-24 | UNAIDS<br>WHO | UNICEF<br>UNFPA<br>UNDP |
| | **Goal 16. Increasing the percentage of women receiving maternal and prenatal care by 60 per cent** | 25. Women reporting at least 1 antenatal visit, per cent | UNICEF<br>UNFPA | WHO<br>UNDP |
| | **Goal 17. Halving malnutrition among pregnant women and among pre -school children in LDCs by 2015** | 26. Prevalence of underweight children under five years of age | FAO<br>IFAD | WFP<br>WHO<br>UNICEF |

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| | **Goal 18. Substantially reducing infection rates from malaria, tuberculosis and other killer diseases in LDCs by the end of the decade; reducing tuberculosis (TB) deaths and prevalence of the disease by 50 per cent by 2010; and reducing the burden of disease associated with malaria by 50 per cent by 2010 (MDG 6, T-8)** | 27. Prevalence rate associated with malaria<br>28. Death rate associated with malaria<br>29. Prevalence rate associated with tuberculosis, per 100,000 population<br>30. Death rate associated with tuberculosis, per 100,000 population | WHO<br>UNICEF | UNFPA |
| | **Goal 19. Promoting child health and survival and reducing disparities between and within developed and developing countries as quickly as possible, with particular attention to eliminating the pattern of excess and preventable mortality among girl infants and children** | 31. Proportion of 1-year-old children immunized against measles<br>32. Proportion of 1-year-old children immunized against tuberculosis<br>33. Proportion of 1-year-old children immunized against DPT | UNICEF<br>WHO | |
| | **Goal 20. Improving the health and nutritional status of infants and children** | 26. Prevalence of underweight children under five years of age<br>31. Proportion of 1-year-old children immunized against measles<br>32. Proportion of 1-year-old children immunized against tuberculosis | UNICEF<br>WHO | |

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| | | 33. Proportion of 1-year-old children immunized against DPT<br>34. Percent of children under 6 months who are exclusively breastfed | | |
| | **Goal 21. Promoting breast feeding as a child survival strategy** | 34. Percent of children under 6 months who are exclusively breastfed | UNICEF | |
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| **Commitment 4: Building productive capacities to make globalization work for LDCs** | **Goal 22. Increasing road networks or connections in LDCs to the current level of other developing countries and urban road capacities, including sewerage and other related facilities, by 2010** | 35. Roads (km)<br>36. Paved (primary) roads (% of total roads)<br>37. Proportion of population with access to improved sanitation, urban and rural | World Bank | Asian Development Bank<br>Inter-American Development Bank<br>African Development Bank<br>Islamic Development Bank |
| | **Goal 23. Modernizing and expanding ports and airports and their ancillary facilities to enhance their capacities by 2010** | 38. Aircraft departures (thousands)<br>39. Air freight millions ton-km | World Bank<br>International Civil Aviation Organization | Regional Civil Aviation Organizations |
| | **Goal 24. Modernizing and expanding railway connections and facilities, increasing their capacities to the level of those in other developing countries by the end of the decade** | 40. Rail lines (km)<br>41. Rail freight per km | World Bank | Asian Development Bank<br>Inter-American Development Bank<br>African Development Bank<br>Islamic Development Bank<br>OPEC Fund |

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| | **Goal 25. Increasing LDCs' communication networks, including telecommunication and postal services, and improving access of the poor to such services in urban and rural areas to reach the current levels in other developing countries** | 42. Permanent and mobile post offices | Universal Postal Union<br>International Telecommunication Union[a]<br>Global Alliance on Information Technology for Development | World Bank |
| | **Goal 26. Increasing computer literacy among students in higher institutions and universities by 50 per cent and in junior and high schools by 25 per cent, by 2015** | | International Telecommunication Union<br>Global Alliance on Information Technology for Development<br>UNESCO | |
| | **Goal 27. Increasing average telephone density to 5 main lines per 100 inhabitants and Internet connections to 10 users per 100 inhabitants by the year 2010 (MDG 8, T-18)** | 43. Telephone lines and cellular subscribers per 100 population<br>44. Internet users per 100 population | International Telecommunication Union | World Bank<br>Asian Development Bank<br>Inter-American Development Bank<br>African Development Bank<br>Islamic Development Bank<br>OPEC Fund |
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| **Commitment 5: Enhancing the role of trade in development** | | (*Indicators as for example: proportion of products granted duty-free quota-free access*) | UNCTAD<br>ITC<br>UNDP<br>World Bank<br>WTO<br>IMF | South South Unit/UNDP |
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| **Commitment 6: Reducing vulnerability and protecting the environment** | | | GEF<br>UNDP<br>UNEP<br>WMO | |
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| **Commitment 7: Mobilizing financial resources** | **Goal 28. Donor countries meeting 0.20 per cent or more of their GNP as ODA to LDCs** | 45. Net ODA total to LDCs, as percentage of OECD/DAC donors' GNI (OECD) | OECD | |
| | **Goal 29. Full and expeditious debt cancellation for LDCs** | 46. Number of official bilateral debt cancellation for HIPC LDCs<br>47. Writing off multilateral debt for HIPC LDCs<br>48. Number of official bilateral debt cancellation for non-HIPC LDCs<br>49. Writing off of multilateral debt for non-HIPC LDCs<br>50. Writing off debt for post-conflict LDCs | OECD<br>World Bank<br>IMF | Asian Development Bank<br>Inter-American Development Bank<br>African Development Bank |
| | **Goal 30. Increasing Foreign Direct Investment flows to LDCs** | 51. Ratio of FDI inflows per capita<br>52. Growth rate of the Ratio of FDI inflows to GDP | UNCTAD | Regional Development Banks |
| | **Goal 31. Increasing financial resources through microcredit/microfinance mechanisms** | 53. Growth rate of micro-credit<br>54. Growth rate in micro-savings | UNCDF | |

## Annex II to the letter dated 27 June 2006 from the Permanent Representative of Benin to the United Nations addressed to the Secretary-General

### Cotonou Ministerial Declaration

*We, the Ministers and Heads of Delegation of the Least Developed Countries participating in the Ministerial Conference held in Cotonou, Benin on 7 and 8 June 2006, to prepare for the comprehensive global midterm review of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 during the sixty-first session of the United Nations General Assembly in New York on 18 and 19 September 2006,*

*Recalling* the Declaration and Programme of Action for the Least Developed Countries for the Decade 2001-2010,

*Recalling* also the Millennium Declaration and in particular the Millennium Development Goals aimed at eradicating poverty,

*Further recalling* the outcome of the Ministerial Conference of the Least Developed Countries held in Cotonou, Benin, from 5 to 7 August 2002,

*Bearing in mind* the Ministerial Declaration of the high-level segment of the Economic and Social Council of June 2004, in New York, that reaffirmed the need to undertake increased efforts and speedy measures with a view to meeting the goals and targets of the Brussels Programme of Action in a timely manner,

*Recalling* the commitment made by World Leaders in 2005 World Summit to address the special needs of the Least Developed Countries,

*Aware* of the need to work jointly and in synergy to contribute effectively and efficiently to the global fight against poverty and to the promotion of sustainable development,

*Aware also*, that Least Developed Countries in conflict and emerging from conflict experience difficulties in the implementation of the Brussels Programme of Action,

*Have agreed* to the following:

1. We reaffirm that sustained economic growth, sustainable development and poverty eradication are imperative for the improvement of living standards of our people.

2. We reiterate that the Millennium Development Goals, as well as the other internationally agreed development goals, can effectively be achieved in the Least Developed Countries through the timely fulfillment of the seven commitments of the Brussels Programme of Action.

3. We acknowledge the weak implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 and hence, we strongly reaffirm the need for its full implementation as it provides a fundamental framework of partnership for sustained economic growth, sustainable development and poverty eradication in our countries.

4. We note that our national reports on the midterm review, which are the outcome of national level dialogues amongst stakeholders on the state of implementation of the Brussels Programme of Action, reflect the achievements made and constraints encountered in the implementation of the Brussels Programme of Action and the way forward.

5. We emphasize the need for creating an overall enabling environment for national and international actions to eradicate poverty and promote sustainable development in the Least Developed Countries.

6. We underline that good governance within each Least Developed Country and at the international level is essential to enable the successful implementation of the Brussels Programme of Action.

7. We recognize that national security and stability are essential for the implementation of the Brussels Programme of Action in the Least Developed Countries. In particular, Least Developed Countries in conflict, emerging from conflict and in post conflict situation require enhanced international support with the view to achieving the goals and targets of the Brussels Programme of Action in a timely manner.

8. We recognize that while the Least Developed Countries have the primary responsibility for their own development, the role of the international community and the multilateral institutions is essential in providing them with adequate resources and technical assistance to enhance their productive capacities, as well as economic growth, poverty eradication and sustainable development.

9. We acknowledge that the civil society and the private sector must play an important role in promoting social and economic development activities in the Least Developed Countries.

10. We recognize that health issues, particularly HIV/AIDS, malaria and tuberculosis, as well as other communicable diseases such as the avian flu pose a grave problem in the Least Developed Countries due to insufficient technical know-how, human and institutional capacity and financial resources, and we urge the international community to ensure that the health needs of the Least Developed Countries are comprehensively addressed in all regional and global programmes.

11. We urge development partners to accelerate efforts to reduce the increasing vulnerability of Least Developed Countries, to preserve the global environment, reduce the loss of biodiversity, limit the adverse impacts of climate change, combat desertification and stem land degradation and to build the resilience of the Least Developed Countries to natural disasters and their ability to recover from them.

12. We stress the need for the Committee for Development Policy of the United Nations Economic and Social Council to revise the graduation criteria so as to make the Economic Vulnerability Index the sine qua non for graduation overriding all other indices.

13. We affirm the need for the international community to render the necessary support to the graduating countries with a view to avoiding the disruption of their development projects and programmes and allow them to continue developing.

14. We emphasize the need to implement the commitments made in the 2005 World Summit Outcome to address the special needs of the Least Developed Countries. In this regard we urge all countries and the United Nations system, including the Bretton Woods Institutions, to make concerted efforts and adopt speedy measures to meet in a timely manner the goals and targets of the Brussels Programme of Action.

15. We reiterate the urgent need for the international community to fulfill the commitments and objectives of the Monterrey Consensus with respect to official development assistance (ODA) for Least Developed Countries and to other financial measures, including increased grant-based financing and total bilateral and multilateral debt cancellation.

16. We recognize that international trade is vital for the development of our countries and the eradication of poverty and we stress the importance of enabling the beneficial and meaningful integration of the Least Developed Countries into the multilateral trading system, in accordance with the Doha mandate and the outcome of the 2005 Sixth Ministerial Conference of the World Trade Organization.

17. We reaffirm the need to accelerate and facilitate the accession of Least Developed Countries to the World Trade Organization, and urge Members to exercise restraint in seeking concessions from acceding Least Developed Countries.

18. We reiterate the need for increased and adequate resources and effective delivery mechanisms for trade-capacity building to address the inherent supply side capacity constraints faced by the Least Developed Countries with a view to enabling them to take advantage of market access opportunities.

19. We reaffirm that an effective multilateral system based on relevant international law, supported by strong international institutions with the United Nations at the centre, is fundamental for the reduction of extreme poverty and the achievement of sustainable development.

20. We urge the United Nations system to effectively implement the outcome of all United Nations conferences and summits in a manner that ensures the achievement of the goals and objectives of the Brussels Programme of Action.

21. We emphasize the need for greater coordination and coherence among organizations of the United Nations system including Bretton Woods Institutions and other multilateral organizations, in mainstreaming the Brussels Programme of Action in their respective work programme and reports so as to ensure the effective implementation of the Brussels Programme of Action.

22. We also recognize the importance of furthering inter and intra-regional South-South cooperation in areas such as trade, health, disaster risk reduction and early warning systems, investments, communications, transport and transit infrastructure.

23. We welcome the measures taken by developed and developing countries as well as by multilateral organisations to promote South-South cooperation and call on them to substantially enhance their resources and efforts for capacity building and development in the Least Developed Countries, including the sharing of best practices in sustainable development of Least Developed Countries.

24. We commend the United Nations Development Programme and, especially the Special Unit for South South Cooperation for their financial contributions to the organization of meetings held in preparation for the mid term review of the Brussels Programme of Action, respectively in Addis Ababa, Ethiopia, from 21-23 February 2006, and in Bangkok, Thailand, from 14-15 March 2006, as well as the Ministerial Conference in Cotonou, Benin, from 5-8 June 2006.

25. We express appreciation for the efforts of the United Nations Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the United Nations Development Programme, and other relevant United Nations agencies, in advancing the implementation of the Brussels Programme of Action.

26. We commend the Least Developed Countries Coordination Bureau for its role in coordinating positions and activities to facilitate the implementation of the Brussels Programme of Action and for representing the Least Developed Countries' interests and concerns in the United Nations system and in all international and multilateral fora.

27. We express gratitude and appreciation to the Government and people of Benin for hosting the Least Developed Countries Ministerial Conference and for the facilities made available to ensure its success.

28. We adopt the Cotonou Strategy for the further Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010.